

# PUBLIC DISCLOSURE

August 3, 1998

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank: Community First Bank & Trust  
#04391105  
P.O. Box 170  
225 North Main Street  
Celina, OH 45822-0000

Supervisory Agency: Federal Reserve Bank of Cleveland  
P.O. Box 6387  
Cleveland, Ohio 44101-1387

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## **GENERAL INFORMATION**

The Community Reinvestment Act ("CRA") requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act ("CRA") performance of Community First Bank & Trust prepared by The Federal Reserve Bank of Cleveland, the institution's supervisory agency, as of August 3, 1998. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A of 12 CFR Part 228.

## DESCRIPTION OF INSTITUTION

Community First Bank & Trust ("CFBT), Celina, Ohio, is a subsidiary of First Financial Bancorp, Hamilton, Ohio. The bank was created as a result of the merger of two affiliate banks, Citizens Commercial Bank & Trust Company in Celina, Ohio, and Van Wert National Bank in Van Wert, Ohio. Since its creation, the bank has acquired 11 offices of Key Bank, N.A. and Union State Bank, Payne, Ohio. First Financial Bancorp owns 14 subsidiary banks located in Ohio, Indiana, and Michigan as well as a mortgage corporation. As of June 30 1998, First Financial Bancorp had total assets of approximately \$ 2.7 billion. CFBT had total assets of \$620.2 million as of June 30, 1998, which comprised 22.65% of the holding company's total assets.

CFBT is a full-service financial institution with a primary focus on agricultural, commercial, residential real estate, and consumer lending. Table 1 presents several key financial ratios for the bank.

Table 1	
Return on Average Assets	1.15%
Net Loans & Leases to Average Assets	62.99%
Investments to Average Assets	20.39%
Total Deposits to Average Assets	89.72%
Net Loans & Leases to Total Deposits	78.05%
1-4 Family Residential Loans to Average Loans	31.88%
Consumer Loans* to Average Loans	18.37%
Commercial Loans** to Average Loans	29.00%
Agricultural Loans to Average Loans	20.69%
Lease Financing Receivables to Average Loans	.12%

\* Includes loans to individuals and credit card loans.

\*\* Includes commercial & industrial loans, commercial real estate loans, and construction & development loans

\*\*\* Includes agricultural & farmland loans

Based on CFBT's asset size and financial condition, it has the ability to meet the credit needs of its assessment areas. There are no legal or other impediments that would hamper the bank's ability to meet the community's credit needs.

## DESCRIPTION OF ASSESSMENT AREA

CFBT has defined its assessment area as including all of Mercer, Van Wert, Paulding, Defiance, and Williams Counties in Ohio; portions of Darke, Auglaize, Shelby, and Allen Counties in Ohio; and portions of Adams, Jay, and Randolph Counties in Indiana . The assessment area complies with the requirements of the Community Reinvestment Act and does not arbitrarily exclude low- or moderate-income geographies; i.e., census tracts or block numbering areas. This area includes small portions of the Lima, Ohio Metropolitan Statistical Area ("MSA") 4320 and the Fort Wayne, Indiana MSA 2760.

Tables 2 and 3 present relevant demographic information for the assessment area. The assessment area contains no low-income block numbering areas ("BNAs") or census tracts.<sup>1</sup> As of the 1990 census, the median family income for the assessment area is \$33,396 whereas the median household income is \$29,159. Family income is a measure of the income of persons related by blood, marriage, or adoption within a household. Household income is a measure of the income of all persons within a household.

<b>Table 2</b> <b>Demographic Data by Geography</b>				
<b>Type of Geography</b>	<b># and % of Geographies</b>	<b># and % of Population</b>	<b># and % of Households</b>	<b># and % of OO* Units</b>
<b>Moderate-Income</b>	1 1.7%	1,796 .7%	770 .9%	660 41.3%
<b>Middle-Income</b>	50 83.3%	198,830 82.2%	71,805 83%	55,870 82.1%
<b>Upper-Income</b>	9 15%	41,134 17%	13,971 16.1%	11,514 16.9%
<b>Total</b>	60	241,760	86,546	68,044

\* Owner-occupied units

<b>Table 3</b> <b>Demographic Data by Income Level</b>		
<b>Family Income Level</b>	<b># &amp; % of Families</b>	<b># &amp; % of Households</b>
<b>Low-Income</b>	9,274 13.9%	15,961 18.4%
<b>Moderate-Income</b>	11,772 17.6%	13,207 15.3%
<b>Middle-Income</b>	17,717 26.6%	18,466 21.3
<b>Upper-Income</b>	6,298 9.44	38,912 45%
<b>Below Poverty Level*</b>	4,141 6.2%	7,448 8.6%

\* Subset of low-income families

Of the area's population, 171,067 (70.8%) are age 18 or older and, therefore, of legal age to enter into a loan contract.

<sup>1</sup>**NOTE:** Low-, moderate-, middle-, and upper-income are defined as follows:

Low-income: Up to 50% of the median MSA family income.

Moderate-income: Greater than 50% up to 80% of the median MSA family income.

Middle-income: Greater than 80% up to 120% of the median MSA family income.

Upper-income: Greater than 120% of the median MSA family income.

The assessment area has 92,629 housing units, of which 73.5% are owner-occupied, 19.6% are rental units, and 6.9 are vacant. One-to-four family units comprise 86.6% of the housing stock, while multi-family units of five or more comprise 3.4% and mobile homes comprise 9.2% of the remaining housing stock. The median housing value is \$50,784 and the median gross rent is \$325 per month. The median housing age is 45 years with 41.5% of the housing stock built prior to 1950.

The area served by CFBT is heavily rural with agricultural, manufacturing, retail, and service industries employing the largest number of employees. Additionally, because Celina sits on the northwestern shore of Grand Lake St. Marys, this area is affected seasonally by the tourist industry. The local economies are generally good with unemployment rates in the counties comprising the assessment area ranging from 1.8% to 7.5%, with an average unemployment rate of 3.6%. This rate parallels the May 1998 unemployment rate for the State of Ohio of 3.9% although somewhat higher than the State of Indiana rate of 2.8%. Table 4 details the unemployment rates by county. As of May 1998, the national unemployment rate was 4.2%.

<b>Table 4</b>	
<b>Unemployment Rates as of May 1998</b>	
<b><u>State of Ohio</u><sup>2</sup></b>	3.9%
<b>Allen County</b>	4.9%
<b>Auglaize County</b>	2.6%
<b>Darke County</b>	3.7%
<b>Defiance County</b>	3.7%
<b>Mercer County*</b>	2.9%
<b>Paulding County</b>	3.2%
<b>Shelby County</b>	3.5%
<b>Van Wert County</b>	2.4%
<b>Williams County</b>	3.6%
<b><u>State of Indiana</u><sup>3</sup></b>	2.8%
<b>Adams County</b>	1.8%
<b>Jay County</b>	3.6%
<b>Randolph County</b>	7.5%

\* Information does not reflect the closing of the Huffy Corporation plant in July 1998.

Four community contacts were conducted in conjunction with the examination. The community contacts included meetings with:

- one representative from a county metropolitan housing authority;
- one representative from a county regional planning commission; and

<sup>2</sup> Ohio Bureau of Employment Services, *Ohio Labor Market Information*

<sup>3</sup> Indiana Department of Workforce Development, Indiana LMI Division, *Labor Market Information*

- two representatives from county economic development offices.

The primary needs identified as a result of these contacts included:

- educating young people on finances and credit;
- rehabilitation loans, in particular, loans to make homes handicap-accessible;
- commercial loans for large manufacturers; and
- counseling on the availability and process of applying for alternate commercial loan programs such as loans guaranteed by the Small Business Administration (“SBA”).

See Appendix B for a map of CFBT’s assessment area and branch locations.

#### Lima, Ohio MSA 4320

The population of MSA 4320, as of the 1990 census, was 154,340 and the median family income was \$33,291. Of the 59,665 housing units in the MSA, 67.9% were owner-occupied. Of these units, 51,218 were one- to four-family units, 4,487 were five- or more family units, and 3,609 were mobile homes. The median age of the housing stock was 44 years.

#### Allen County

As of the 1990 census, Allen County had a population of 109,755. The median family income was \$27,166. The county contained 42,758 housing units, of which 68.1% were owner-occupied.

The majority of employment in the county is wholesale/retail trade, followed by services and manufacturing. Within the county, 2,558 establishments employ fewer than 50 employees. Major employers in the county include Ford Motor Company, St. Rita’s Medical Center, Lima Memorial Hospital, Metokote Corporation, and Allen County Schools. Recently, an agreement was reached between BP Oil Corporation and Clark Oil Corporation to sell the BP facility located in the county to Clark. As a result, the local facility will not be affected by the proposed merger of BP Oil Corporation and Amoco.

#### Auglaize County

As of the 1990 census, the population of Auglaize County was 44,585 and the median family income was \$35,312. Within the county, there were 16,907 housing units, of which 72.7%% were owner-occupied.

The majority of employment in the county is manufacturing, followed by services, wholesale/retail trade, and farming. There are 906 establishments that employ less than 50 employees. Major employers in the county include Goodyear Tire and Rubber Company; J.T.D.H. Hospital; and AAP St. Marys Corporation, a subsidiary of Hitachi Metals, Ltd. of Japan. Because a portion of Grand Lake St. Marys is located in the county, as well as the Neil Armstrong Air and Space Museum, it is also affected seasonally by the tourist industry.

### **OTHER OHIO COUNTIES**

#### Darke County

The population of Darke County, as of the 1990 census, was 53,619 and the median family income was \$31,730. As of 1990, there were 20,338 housing units in the county, of which 18,392 were one- to four-family units, 600 were five- or more units, and 1,188 were mobile homes. Of the housing units in the county, 73.1% were owner-occupied. The median age of the housing stock was 42

years.

Manufacturing is the largest employment sector in the county followed by wholesale/retail trade, services, and farming. Within the county, 1,090 firms employ less than 50 employees. Major employers in the county include Allied Signal Corporation, Midmark Corporation, Neff Athletic Lettering Company, Whirlpool, and Greenville Technology, Inc. As of 1990, Darke County ranked first in the state in agricultural receipts of almost \$201 million. The county ranked second in crop receipts totaling \$66,815,000, with soybeans and corn receipts of \$28,621,000 and \$25,645,000, respectively, ranking first in the state. The county also ranked second in total livestock receipts of approximately \$134.2 million. Poultry and other livestock and hog receipts ranked first in the state generating \$80,126,000 and \$24,210,000, respectively.

### Defiance County

Defiance County's population, as of the 1990 census, was 39,350 and the median family income was \$35,871. There were 14,737 housing units in the county, of which 74.8% were owner-occupied. Of these units, 12,414 were one- to four-family units, 772 were five- or more units, and 1,421 were mobile homes. The median age of the housing stock was 46 years.

The largest employment sector in the county is manufacturing followed by services, wholesale/retail trade, and farming. Of the establishments in the county, 775 have fewer than 50 employees. Major employers in the county include General Motors-Powertrain, Schuller Manufacturing Division, and Zeller Corporation.

### Mercer County

As of the 1990 census, the population of Mercer County was 39,443 and the median family income was \$33,935. Within the county, there were 14,969 housing units, of which 12,845 were one- to four-family units, 408 were five- or more units, and 1,579 were mobile homes. Of the housing units in the county, 71.4% were owner-occupied. The median age of the housing stock was 28 years.

Manufacturing is the leading employment sector in the county, followed by wholesale/retail trade, government, and services. Of the establishments in the county, 863 employ less than 50 employees. Until its closing in July 1998, Huffy Corporation was one of the largest employers in the county. At this time, it is too early to determine the potential impact of this closing on the county. However, some employees have accepted positions in other Huffy facilities which will result in a loss of population, other former employees may have to obtain lower-paying jobs, and there will be a significant impact on tax revenues. Other major employers include Agco Corporation, Celina City Board of Education, Celina Financial Corporation, Cooper Hatchery Inc./Cooper Foods, and Fort Recovery Industries.



### Paulding County

Paulding County had a population of 20,488 as of the 1990 census and the median family income was \$31,946. There were 7,951 housing units within the county, of which 6,539 were one- to four-family units, 134 were five- or more family units, and 1,217 were mobile homes. Of the housing units within the county, 75.9% were owner-occupied. The median age of the housing stock was 31 years.

The largest employment sector in the county is manufacturing followed by wholesale/retail trade, farming and services. Within the county, 319 establishments employ less than 50 employees. Major employers include Dana Corporation; Spec-Temp, Inc.; and Cooper Hatchery. As of 1994, crops cash receipts were \$44,218,000 with soybeans and corn being the largest producers at \$21,966,000 and \$11,164,000, respectively. Poultry and other livestock, which generated \$5,046,000, was the leader in livestock cash receipts, which totaled \$8,109,000 in 1994.

### Shelby County

As of 1990, the population of Shelby County was 44,915 and the median family income was \$35,602. Of the 16,509 housing units in the county, 14,358 were one- to four-family units, 903 were five- or more family units, and 1,135 were mobile homes. Of these units, 70.3% were owner-occupied. The median age of the housing stock was 30 years.

The largest employment sector in the county was manufacturing followed by wholesale/retail trade, services, and the government sector. Of the firms in the county, 806 employed fewer than 50 employees. Within the county, major employers include Stolle Corporation; Honda of America Manufacturing, Inc.; Copeland Corporation; and Airstream, Inc.

### Van Wert

The population of Van Wert County was 30,464 as of the 1990 census and the median family income was \$32,618. There were 11,998 housing units in the county of which 75.7% were owner-occupied. Of the housing units in the county, 10,645 were one- to four-family units, 314 were five- or more family units, and 965 were mobile homes. The median age of the housing stock was 38 years.

Manufacturing is the largest employment sector in the county followed by services, wholesale/retail trade, and the government sector. Within the county, 553 establishments employ less than 50 employees. The largest employers include Central Insurance Companies, Federal Mogul, and Findlay Industries

### Williams County

The population of Williams County, as of the 1990 census, was 36,956 and the median family income was \$33,321. The county had 14,745 housing units, 12,698 were one- to four-family units, 447 were five- or more family units, and 1,514 were mobile homes. Of these units, 72.1% were owner-occupied. The median age of the housing stock was 44 years.

The largest employment sector in the county is manufacturing followed by services, wholesale/retail trade, and the government sector. Within the county, 803 establishments employ fewer than 50 people. Major employers include Allied Moulded Products, Inc.; Bryan City Board of Education; Chase Brass and Copper Company; Community Hospitals of Williams County; and Continental AG/General Tire.

## **FORT WAYNE, INDIANA MSA 2760**

As of the 1990 census, the population of MSA 2760 was 456,281 and the median family income was 36,533. The MSA had 181,864 housing units, of which 68% were owner-occupied. Of these units, 147,965 were one- to four-family units, 21,127 were five- or more family units, and 11,346 were mobile homes. The median age of the housing stock was 29 years.

### Adams County

The population of Adams County, as of the 1990 census was 31,095. Manufacturing is the primary employment sector in the county, followed by wholesale/retail trade, services, and the government sector. Of the business establishments in the county, 648 employ less than 50 employees.

## **OTHER INDIANA COUNTIES**

### Jay County

Jay County's population, as of the 1990 census was 21,512 and the median family income was \$27,724. Of the 8,905 housing units in the county, 7,762 were one- to four-family units, 275 were five- or more family units, and 769 were mobile homes. Owner-occupied units comprised 71.1% of the housing units in the county. The median age of the housing stock was 38 years.

The largest employment sector in the county is manufacturing, wholesale/retail trade, farming, and services. There were 400 establishments that employed fewer than 50 employees.

### Randolph County

The population of Randolph County, as of the 1990 census, was 27,148 and the median family income was \$28,551. There were 11,327 housing units in the county with 69.7% owner-occupied. Of the housing units, 9,881 were one- to four-family units, 384 were five- or more family units, and 969 were mobile homes. The median age of the housing stock was 54 years.

Manufacturing is the largest employer in the county followed by wholesale/retail trade, government, and farming. Within the county, 524 have less than 50 employees.

## INSTITUTION RATING

This institution is rated "Satisfactory".

- Good responsiveness to assessment area credit needs
- Substantial majority of loans inside assessment areas
- Excellent geographic distribution of loans throughout the assessment area
- Excellent distribution of loans among retail customers of different income levels, particularly low- and moderate-income ("LMI") borrowers and small business and small farm customers
- Delivery systems accessible to essentially all of the assessment area
- Leadership role in providing community development services.

The following table indicates the performance level of Community First Bank & Trust with respect to the lending, investment, and service test.

PERFORMANCE LEVELS	Table 5 <u>COMMUNITY FIRST BANK &amp; TRUST</u> PERFORMANCE TESTS		
	LENDING TEST*	INVESTMENT TEST	SERVICE TEST
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

\* Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

### LENDING TEST

#### Lending Activity

For CRA data reporting purposes, CFBT reported information on 2,130 small business, small farm, motor vehicle, home equity, other-secured, and other-unsecured loans originated in 1997.<sup>4</sup> Additionally, although the bank was not subject to the Home Mortgage Disclosure Act ("HMDA") for 1997, it maintained data on HMDA-related loans for the same time period. These loans were distributed as follows:

<b>TABLE 6 Distribution of Loans</b>	
<b>Loan Type</b>	<b># of Loans</b>
Small Business	442
Small Farm	282
Motor Vehicle	657
Home Equity	250
Other-Secured	347
Other-Unsecured	327
Conventional Home Purchase	246
Refinancings	214

Table 7 shows the distribution of the bank's lending inside of its assessment areas by loan product.

<b>Table 7 Lending Within Assessment Areas by Loan Product</b>				
<b>Loan Type</b>	<b># of Loans in Assessment Area</b>	<b>% of Loans in Assessment Area</b>	<b># of Loans out of Assessment Area</b>	<b>% of Loans out of Assessment Area</b>
<b>Small Business</b>	402	91%	40	9%
<b>Small Farm</b>	270	95.7%	12	4.3%
<b>Motor Vehicle</b>	607	92.4%	50	7.6%
<b>Home Equity</b>	240	96%	10	4%
<b>Other-Secured</b>	305	87.9%	42	12.1%
<b>Other Unsecured</b>	306	93.6%	21	6.4%
<b>Conv. Home Purchase</b>	227	92.3%	19	7.7%
<b>Refinancings</b>	207	96.7%	7	3.3%
<b>Total</b>	2,564	92.7%	201	7.3%

This table shows that a substantial majority of loans are made within CFBT's assessment area.

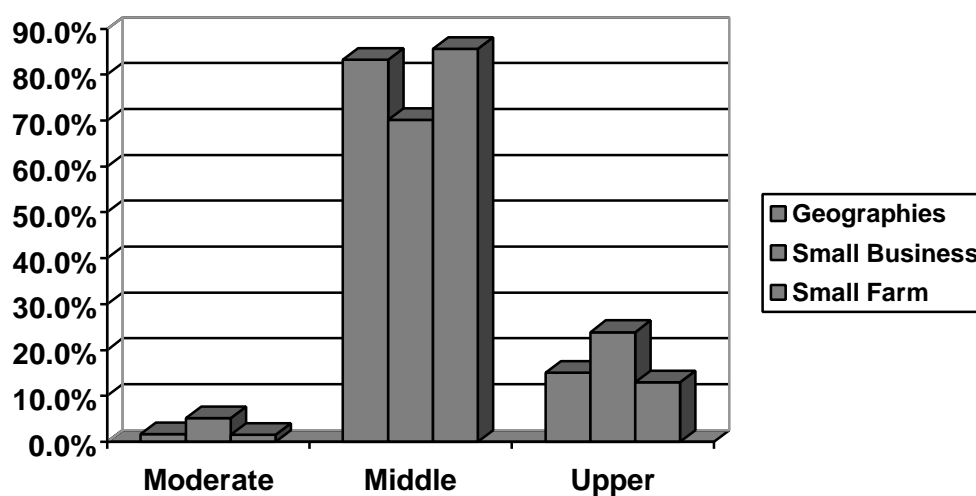
#### Geographic Distribution

<sup>4</sup> Small business and small farm loans are commercial loans <=\$1,000,000.00

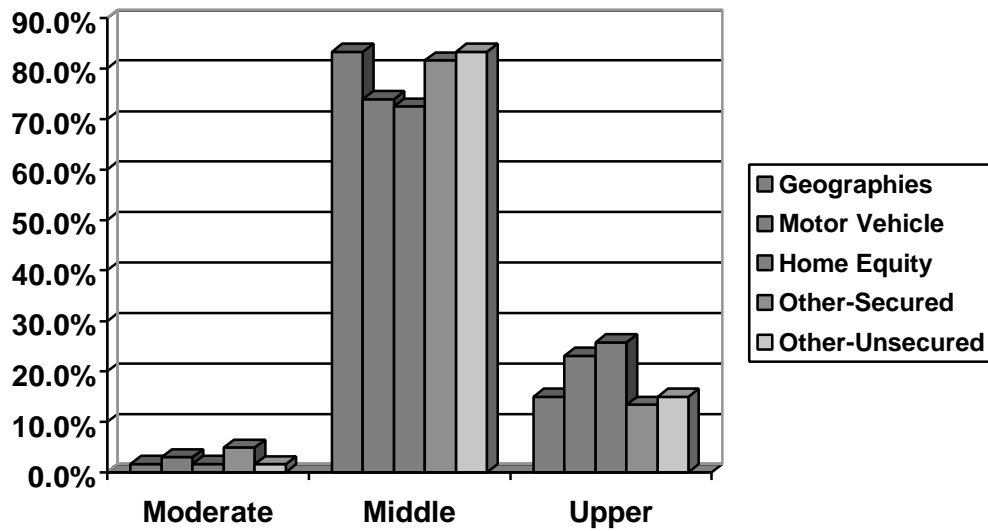
Table 8 and following graphs show the distribution of loans among the geographies within the assessment area. The table discloses the number of loans made in each geography and the graphs show the percentage of lending broken out by small business and small farm lending, consumer lending (motor vehicle, home equity, other-secured, and other-unsecured), and real estate lending (conventional home purchases, and refinancings).

<b>Table 8</b>			
<b>Distribution of Consumer Loans by Geography</b>			
<b>Type of Loan</b>	<b>Moderate-Income</b>	<b>Middle-Income</b>	<b>Upper-Income</b>
<b>Small Business</b>	21	285	96
<b>Small Farm</b>	4	231	35
<b>Motor Vehicle</b>	18	449	140
<b>Home Equity</b>	4	174	62
<b>Other-Secured</b>	15	249	41
<b>Other-Unsecured</b>	5	255	46
<b>Conv. Home Purchase</b>	3	194	30
<b>Refinancings</b>	4	168	35
<b>Geographies within Assessment Area</b>	1	50	9

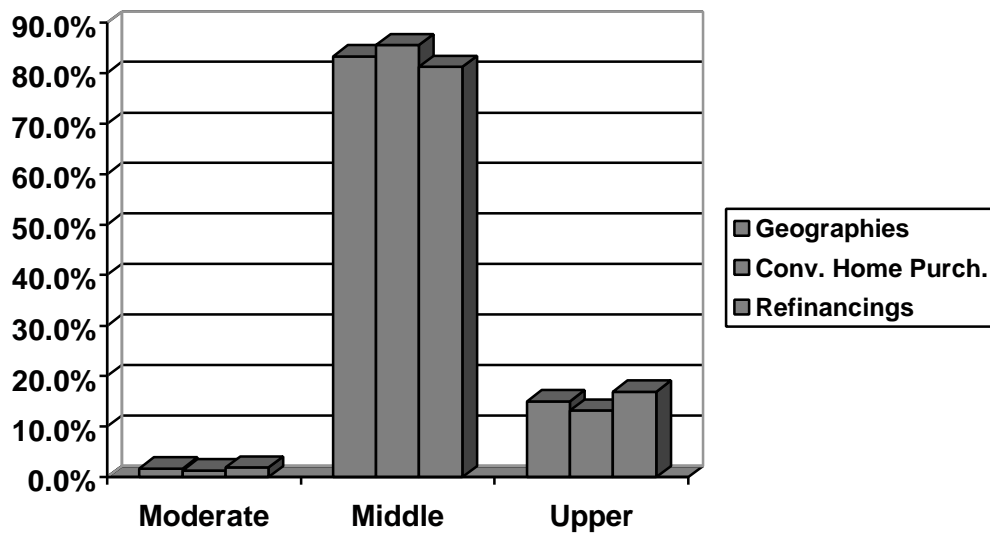
**Distribution of Small Business & Small Farm Loans by Geographies**



**Distribution of Consumer Loans by Geographies**



**Distribution of Real Estate Loans by Geographies**



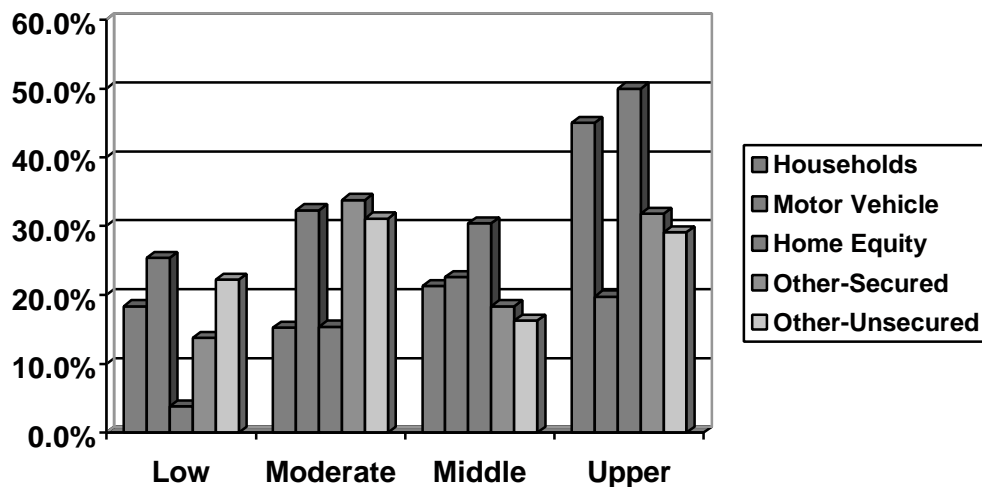
As can be seen from the graphs, the bank's distribution of loans among geographies is relatively comparable to the percentage of geographies within the assessment area. The bank's level of lending in its one moderate-income BNA is particularly noteworthy for small business, motor vehicle, and other-secured loans.

### Borrower Distribution

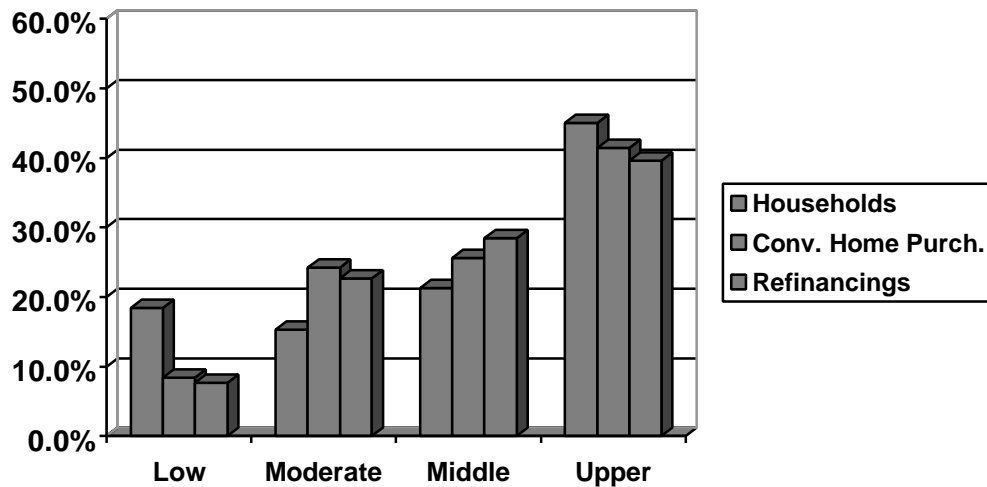
Table 9 and the following graphs shows the distribution of the bank's consumer and real estate lending by borrower income. Lending percentages are compared to the percentage of households in each income category. Households were used, as opposed to families, because households more accurately reflect potential borrowers.

<b>Table 9</b> <b>Distribution of Consumer and Real Estate Loans</b> <b>by Borrower Income</b>				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Motor Vehicle	154	196	137	120
Home Equity	9	37	73	120
Other-Secured	42	103	56	97
Other-Unsecured	68	95	50	94
Conv. Home Purchase	19	55	58	94
Refinancings	16	47	59	82

**Distribution of Consumer Loans by Borrowers' Income**



### Distribution of Real Estate Loans by Borrowers' Income



As revealed by the table and graphs, CFBT's distribution of motor vehicle, other-secured, and other-unsecured loans to low- and moderate-income borrowers is comparable to or substantially higher than the percentage of low- and moderate-income households within the assessment area. Although the level of home equity and real estate loans made to low-income borrowers is low, 8.6% of the households within the assessment area are at below-poverty level. It is very difficult for borrowers at poverty level to qualify for real estate-related loans. Overall, CFBT's distribution of borrowers reflects excellent penetration among retail customers of different income levels.

Of CFBT's small business and small farm loans, 100% were made to businesses and farms with less than \$1 million in annual revenues.

#### Community Development Loans

Due to the rural demographics of the area and the fact that there is only one-moderate income BNA within the assessment area, there are limited opportunities to originate community development loans. Although CFBT has originated several community development loans, these loans have been included in the small business and small farm loans reported under CRA data collection requirements. The bank has issued two irrevocable letters of credit in amounts of \$1,000 each to commercial borrowers to ensure the ability of the U.S. Department of Agriculture to collect payment of claims for participation in the Federal Food Stamp Program.

#### Innovative/Flexible Lending Criteria

CCFT uses several flexible loan programs to enhance its ability to meet the credit needs within its assessment area. The following is a list of the programs offered by the bank.

- The Affordable Home Program (offered by offices of the former Citizens Commercial Bank and Trust ) enables home buyers to obtain a home purchase loan with as little as a 5% down payment, 2% of which can be borrowed from a family member. Closing costs are also reduced depending on the annual household income of the family. Maximum household income criteria are established by county.
- The First Time Home Buyers Program (offered by offices of the former Van Wert National Bank) is available to first-time low- and moderate-income home buyers. Loan proceeds may



be used both for the purchase and rehab of homes with a maximum loan-to-value ratio of 95%. No private mortgage insurance is required; however, no part of the down payment may be borrowed funds. The product is priced below market rates and fees are reduced.

- CFBT also participates in several government guaranteed programs including the Ohio Agriculture Link Deposit Program, Guaranteed Rural Housing Program, and the Farmers Home Administration ("FmHA") Loan Program.
- The bank participates in the Mercer, Auglaize, and Van Wert Counties' Community Housing Improvement Programs ("CHIP").

The following table shows the number of loans and the dollar volume originated in 1997 under the various flexible lending programs.

<b>Table 10 Flexible Loan Programs</b>		
<b>Type of Loan</b>	<b># of Loans</b>	<b>\$ of Loans</b>
<b>Affordable &amp; 1<sup>st</sup> Time Home Buyers</b>	15	\$500,650
<b>CHIP</b>	2	\$59,400
<b>FmHA</b>	11	\$549,725
<b>Guaranteed Rural Housing</b>	1	\$53,500
<b>Link Deposit</b>	13	\$1,080,000

### Investment Test

CFBT has donated slightly more than \$12,000 to organizations that promote affordable housing for low- and moderate-income residents, promote economic development and revitalization, and assist small businesses and farms. The majority of the donations have benefited economic development organizations and organizations which aid small businesses.

Additionally, in the bank's investment portfolio are \$65,000 in Mercer County issues. These funds were used for sewer and street improvements along Grand Lake St. Marys. This area includes the moderate-income BNA and designated reinvestment areas.

## **SERVICE TEST**

### Retail Banking Services

CFBT operates 21 branches and 10 ATMs located in six counties. One of the ATMs is a free-standing unit located at a shopping center in Celina. The bank does not have a branch in the one moderate-income tract; however, all offices are readily accessible to all segments of the population. Hours are reasonable and do not vary in any ways that would inconvenience residents of the assessment area. CFBT has not closed any offices since the previous examination. However, as a result of the acquisition of the Key Bank, N.A. offices, the bank is consolidating the operations of its branch located at 810 North Main Street, Celina into the office located two blocks away at 115 West Summit Street, Celina. This consolidation will take place effective October 31, 1998. Due to the proximity of the offices, there should be no negative impact on services provided to customers.

The bank offers a telephone-banking program through which customers can check balances, transfer money between accounts, and make loan and credit card payments. Additionally, some bank employees make personnel banking calls to customers' homes to assist them with their general banking needs. CFBT also has a home page on the Internet which provides

information about the bank's products, services, and locations; enables consumers to calculate future values of savings accounts; and provides the means to calculate loan payments.

#### Community Development Services

Officers and other employees of the bank participate in various community development services throughout its assessment area. Most of the organizations in which members of the bank participate involve economic development and revitalization efforts and provide assistance to small businesses. Organizations in which bank officers and employees participate include the following:

<b>TABLE 11 Community Development Services</b>	
Celina Business Development Loan Program	Loan fund established to assist expansion and retention of businesses in Celina, Ohio.
CIC of Paulding	Economic development organization that promotes business retention and expansion in Paulding, Ohio
City of Celina Revolving Loan Fund	Loan program funded with Community Development Block Grant ("CDBG") monies used to promote job creation and retention in Celina, Ohio
Grand Lake Mercer County Development Corporation	Economic development organization which promotes the growth of existing businesses and the attraction of new businesses within Mercer County, Ohio.
Marion Community Development Organization	Economic development organization that serves Maria Stein, Chickasaw, and the remainder of the Marion, Ohio school district. Has developed an industrial park and promotes agriculture and business development.
Mercer County Revolving Loan Fund	Loan program funded with CDBG monies used to promote job creation and retention in Mercer County, Ohio.
Paulding County Revolving Loan Fund	County revolving loan fund used to promote job creation and retention in Paulding County, Ohio.
Paulding Downtown Revitalization Committee	Committee which focused on rehabbing downtown Paulding, Ohio to attract new businesses and residents, using federal funds for infrastructure improvements.
Van Wert Area Chamber of Commerce	Business and economic development organization
Van Wert Industrial Development Corporation	Economic development organization which promotes industrial real estate growth in Van Wert County, Ohio

Presentations and seminars conducted by CFBT include the following:

- Small business development presentation at Wright State University, St. Marys campus;
- Presentations on loan programs offered by the bank, including the CHIP and guaranteed rural housing loans, for realtor groups in Mercer and Auglaize Counties;
- Presentation on banking conducted at Wright State University, St. Marys campus;
- Agricultural seminar conducted at Delphos office;

- Seminar concerning women's banking needs conducted at the Otterbein Home in St. Marys.

Other community development services provided include the Rockford branch collecting rents for the Rockford Villa, a low- and moderate-income housing complex. Also, in response to the recent closing of the Huffy plant in Celina, the bank contacted the president of the local union offering to provide assistance to Huffy workers through budgeting or financial planning seminars. The bank has also solicited any ideas for other ways to assist these former employees.

No violations of nondiscrimination laws and regulations were identified during the examination. CFBT has a fair lending policy and conducts fair lending training to ensure compliance with fair lending laws and regulations and to prevent potential discriminatory or other illegal credit practices.

## **APPENDIX A**

### **SCOPE OF EXAMINATION**

This examination covered the time period from January 1 through December 31, 1997. The analysis included a review of the data required to be reported under the Community Reinvestment Act data reporting requirements (small business, small farm and community development loans). Although the bank was not subject to the Home Mortgage Disclosure Act for the year 1997, it did obtain information on HMDA-related loans and this data was also reviewed. Multi-family loans were not reviewed because of the minimal number of these loans generated by the bank. CFBT also elected to have its consumer loan data considered. Consumer loan data was categorized as motor vehicle loans, home equity, other-secured loans, and other-unsecured loans. The bank was considered to have one assessment area because all areas are contiguous and the portions of the assessment area that include portions of MSAs and the state of Indiana are small.

## APPENDIX B